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MONTANA LABOR MARKET REVIEW

Second Quarter 1978

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MONTANA
LABOR MARKET REVIEW

Published in September 1978
For Second Quarter 1978

STATE OF MONTANA

THOMAS L. JUDGE, GOVERNOR

DEPARTMENT OF LABOR AND INDUSTRY
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EMPLOYMENT SECURITY DIVISION
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PRODUCED BY THE RESEARCH AND ANALYSIS SECTION
in cooperation with
EMPLOYMENT AND TRAINING ADMINISTRATION,
U.S. DEPARTMENT OF LABOR

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GLOSSARY OF TERMS

1. Civilian Labor Force - the number of persons 16 years and older, defined as employed or unemployed, excluding members of the Armed Forces.

2. Employed - those persons who work for pay or profit during a week or, as unpaid family workers, work 15 hours or more during a week. Also included as employed are those who, although not working, had some job attachment and were not looking for work, including persons temporarily absent from a job due to illness, bad weather, vacation, or labor-management dispute, whether or not they were in a pay status during their time off.

3. Unemployment - the number of persons who, for an entire week, did not work at all, were able to work and available for work, and (1) were looking for work or (2) would have looked for work except that (a) they were waiting to return to a job from which they had been laid off, or (b) they were waiting to report to a new wage and salary job scheduled to start within the following 30 days (and were not in school during the week).

4. Unemployment Rate - the number of unemployed expressed as a percent of the civilian labor force.

5. Residence Data - a count of employment by where people live.

6. Establishment Data - a count of employment by where people work.

7. Seasonally Adjusted Labor Force Series - to facilitate the evaluation of the labor force, recurrent yearly movements have been isolated and removed by the Bureau of Labor Statistics seasonal factor method.

8. Composite Index - an aggregate of six leading indicators. The indicators used are: Manufacturing - Employment, Average Weekly Hours, total Accessions and Layoffs; Average Weekly Initial Claims; and statewide Building Permits. A reverse trend was used for Layoffs and Average Weekly Initial Claims. This composite index is in no manner or form comparable to the United States composite index as published in "Business Conditions Digest", U. S. Department of Commerce.

9. Real Spendable Average Weekly Earnings of Private Nonagricultural Production Workers - represents the earnings of a hypothetical individual after deductions for State Income, Federal Income and Social Security taxes, and adjustment for change in purchasing power since 1967. This individual is assumed to be sole support for a family of four, earn the average weekly gross earnings of production workers in Montana's private nonagricultural industries, and take standard deductions on State and Federal income taxes. Taxes were computed using standard tax tables, and purchasing power was adjusted by deflating Spendable Earnings based on the national Consumer Price Index.

10. WIN - Work Incentive Program for Aid to Dependent Children recipients.

11. CETA - Comprehensive Employment and Training Act of 1974.

12. CETA-CEP - Concentrated Employment Program funded under the Comprehensive Employment and Training Act.

13. SMSA - Standard Metropolitan Statistical Area as determined by Office of Management and Budget. Must have a central city with population of 50,000 or more.

14. LMA - Labor Market Area as determined by the Montana Employment Security Division consists of a central city or cities with population of less than 50,000, and the economically integrated geographical area surrounding it.

SECTION 1

INTRODUCTION AND HIGHLIGHTS

INTRODUCTION

The State of Montana is the fourth largest in the nation, having an area of 147,138 square miles. It is bordered on the north by Canada; on the west by Idaho; on the south by Wyoming; and on the east by North Dakota and South Dakota.

The state is predominantly rural, with an estimated population of 760,000 persons in 1977. The most significant export industry in the state continues to be agriculture; with cattle, sheep, and wheat production being the mainstays of that economic sector. In addition to ranching and farming; mining, lumber and wood products manufacturing, tourism, and government provide the bulk of economic support within Montana.

HIGHLIGHTS

Seasonal factors had a positive effect on Montana's earnings during the second quarter (April, May, June) of 1978. Industries geared up for the peak season showing increased employment in many sectors. Agriculture gained substantial numbers of workers as the planting season commenced. The lumber and wood products industry had its normal shutdown due to the spring breakup but was back to full production levels by June. Building permits have been consistently higher then last year's pace with the concurrent increase in employment in the construction occupations. In another seasonal development the influx of tourists began with resultant growth in the retail and service establishment employment.

Unfortunately not all of the economic news during the quarter was positive in nature. A labor dispute involving a major airline and its pilots began in April, with estimated losses in tourist trade set at millions of dollars. Both temporary and permament closures also continued to plague the non ferrous metal mining and refinery industries. The layoffs are due to foreign competition in the non-ferrous metal market. The national issue of imports effect on prices and future policy decision in this area will certainly determine the future of the industry in Montana.

The civilian labor force grew to 373,400 during June, a gain of 22,800 during the quarter and 4.9% higher than last June's figure. Total employment increased by 17,500 individuals over the past year, and should reach higher levels at the seasonal peak late in the summer. This employment increase is in spite of a decrease of 2,400 in agricultural employment in the same period. Unemployment rates for the State were extremely close to last years rates for April, May, and June, however, comparison to national rates indicates a disturbing conclusion. While unemployment has been reduced nationally in the past year it has stayed relatively stable in Montana indicating the States economic isolation from national trends and the effect of local events on the state's rate.

SECTION II
LABOR MARKET INFORMATION
STATE OF MONTANA

STATEWIDE MONTANA

LABOR FORCE. EMPLOYMENT. UNEMPLOYMENT CPS DATA
(In Thousands)

Year	Civilian Labor Force Average	Employment Average	Unemployment Average	Average Unemployment Rate
1972	291.2	277.3	13.9	4.8
1973	303.2	288.6	14.6	4.8
1974	318.6	301.9	16.7	5.2
1975	322.6	302.0	20.6	6.4
1976	332.0	312.0	20.0	6.1
1977	343.0	321.0	22.0	6.4

1978	Civilian Labor Force	Employment	Unemployment	Unemployment Rate
January	332.1	305.2	26.9	8.1
February	341.3	311.3	30.0	8.8
March	350.6	321.6	29.0	8.3
April	358.1	334.9	23.2	6.5
May	361.7	341.1	20.6	5.7
June	373.4	348.7	24.7	6.6

The civilian labor force, employment, and unemployment statistics show seasonal increases during the quarter and also indicate a slow overall growth in all areas. The unemployment rate, however, appears to be higher than last year's similar statistic. In a paradox of sorts Montana's rate is now above national levels whereas last year it was consistently lower than the nationwide percentage.

The number of employed persons in June is only 1.4% higher than last June's, while the civilian labor force figure has grown by 2.3%. The result in the number of unemployed persons amounts to a 16.5% increase to an unemployment rate of 6.6%. The jump in the number of unemployed is thought to be due to local factors and national upswings relatively minor effects on Montana's economy.

EMPLOYMENT TRENDS IN
THE MAJOR INDUSTRIAL SECTORS

MONTANA AGRICULTURE
EMPLOYMENT

(In Thousands)

1978

Jan.	22.5	Apr.	35.0
Feb.	24.5	May	36.0
Mar.	29.4	Jun.	41.1

1977 Annual Average	34.7
Second Quarter 1977 Avg.	39.6
Second Quarter 1978 Avg.	37.4

Agricultural employment levels are extremely seasonal varying in 1977 from a low of 22,600 in January to a high of 49,800 in August. In 1978 to date the same trends are apparent with a low level of 22,500 reached in in January and the level has increased steadily to 41,100 persons in June with the August peak still to come.

Although the trends have been similar to past years, the number of persons employed in agriculture in 1978 is running consistently lower than that of similar periods in 1977. For example, June's figure of 41,100 is 5.5% lower than last June's statistic. The Second Quarter average of agricultural employment is 5.6% lower than last year's similar average.

Employment prospects in the industry appear to be on the decline, but the factors affecting such are not easily discernable. The price for the produced commodities and livestock are extremely variable and in light of this the industry would seem to be cutting employment. New methodology may also be having some effects. Foreign trade also has had some notable effects on agriculture in recent years and will continue to. All of these variables make predictions of agricultural employment more difficult than those of other sectors.

MONTANA MANUFACTURING
EMPLOYMENT

(In Thousands)

Jan.	23.5	Apr.	23.2
Feb.	23.5	May	23.8
Mar.	23.4	Jun.	24.2

1977 Annual Avg.	24.2
Second Quarter 1977 Avg.	24.3
Second Quarter 1978 Avg.	23.7

Montana's relatively small manufacturing industry continued on a stable employment course during the first two quarters of 1978. Small month to month changes have occurred but the first six months brought no sharp reversals in the employment trends. Employment is running slightly lower than last year but recent months have brought some improvement.

Analysis of the various divisions of manufacturing employment indicates that the major decreases have been in the lumber and wood products classification, where more than 300 less workers are employed this June compared to June of 1977. The primary metal industry levels have dropped slightly but not as much as would be expected with the trade related layoffs in the non-ferrous metal smelting industry. Food and kindred products, printing and publishing, and petroleum and coal products show relative stability in their employment levels.

Manufacturing in Montana is in no way comparable to manufacturing on the national level. While nationally manufacturing employment is basic to the condition of the entire economy, its effect on Montana's economy is much less.

MONTANA MINING
EMPLOYMENT

(In Thousands)

Jan.	6.4	Apr.	6.3
Feb.	6.4	May	6.7
Mar.	6.4	Jun.	6.8

1977 Annual Average	6.1
Second Quarter 1977 Avg.	6.3
Second Quarter 1978 Avg.	6.6

The mining industry in Montana showed surprising strength in the first portion of 1978. After many years of decline and an apparent stabilization of employment levels last year, the first six months of 1978 show increases in the number employed in mining.

The metal mining portion of the industry appear to have steady employment levels after years of decline. The low market prices and importation policies affecting metals may keep employment levels down in the foreseeable future.

As metal mining has declined recently, concurrently the oil and gas extraction and coal mining employment levels have increased. These energy related mining gains have more than made up for the losses in metal mining. The forecast is for much expansion in these industries, but the effects on employment will probably be only small upward movements. This is due to the nature of these industries, especially the fact that the production methods used are highly mechanized and not very labor intensive.

MONTANA CONTRACT CONSTRUCTION
EMPLOYMENT

(In Thousands)

Jan.	13.2	Apr.	15.8
Feb.	13.3	May	16.0
Mar.	13.4	Jun.	16.6

1977 Annual Average	15.6
Second Quarter 1977 Avg.	15.5
Second Quarter 1978 Avg.	16.1

Highly seasonal trends are again the rule in this industry as is normal in such a weather related field. The surprising fact is that the employment levels have continued to grow and are even ahead of last year's similar tallies. Last year was supposedly a "banner year" in construction and such activity appears to be continuing in 1978. The erection of housing and retail trade establishments account for the growth and stability of the general building and special trade sectors of the construction industry. Housing starts continue at high levels despite recent increases in the interest rates. The growth in the retail and service areas is probably best reflected in the plans for new shopping centers. A large regional shopping center has opened in Missoula and construction has started on another in Bozeman, while plans were announced for similar facilities in Helena and Kalispell.

A cement shortage affecting several western states is beginning to have an impact on some projects in Montana. Hopefully, the situation is only temporary. A court ordered cessation to power plant construction has also halted a large project in Southeastern Montana but company officials are hopeful the delay is only temporary and not a permanent work stoppage. Growth in this sector is expected to continue at about the same rate, as the growth in other areas of the economy creates the need for the services offered by this sector.

MONTANA TRANSPORTATION, COMMUNICATIONS, AND PUBLIC UTILITIES
EMPLOYMENT

(In Thousands)

Jan.	20.8	Apr.	20.8
Feb.	20.8	May	21.4
Mar.	20.7	Jun.	21.5

1977 Annual Average	20.2
Second Quarter 1977 Avg.	20.1
Second Quarter 1978 Avg.	21.2

Employment in this sector continued its pattern of steady growth reaching an average of 21,200 in the second quarter, more than 1,000 above last year's similar figure. The seasonal high employment usually occurs in July or August so the expansion should continue.

For purposes of analysis this industrial sector is normally broken down into three sub-sectors which are railroad transportation; transportation except railroad; and communication, electric, gas and sanitary service. By comparing and examining trends within each of these sub-sectors the relative impact of the movements can be better explained.

For the first time in many years railroad employment has shown consistent gains over the past year. The possible explanation for this growth is the increase in coal being shipped out of state by rail. It is not known at this time what effect the bankruptcy proceedings instituted by one railroad will have on employment levels, but certainly some job losses could be expected.

At the same time, the non-railroad transportation and public utility subsectors continued their pattern of consistent stable growth. Non-railroad transportation employment numbers 6,200 as of June 1978, while the utilities subsector level is at 8,500.

MONTANA TRADE
EMPLOYMENT

(In Thousands)

Jan.	65.5	Apr.	68.0
Feb.	65.3	May	68.4
Mar.	66.5	Jun.	68.5

1977 Annual Average	66.3
Second Quarter 1977 Avg.	65.9
Second Quarter 1978 Avg.	68.3

Wholesale and retail trade, which compose this sector, continued to exhibit growth during the first portion of 1978. The second quarter average employment in this sector is 68,300, approximately 3.6% higher than last year's similar statistic. Wholesale trade shows a steady growth throughout the year, but the retail subsector shows wide variations among its components and in different periods. Eating and drinking places, in particular, are not being established at the same rate as a year ago, however, it should be noted that last year's growth in this area was exceptional and the current growth pattern is probably just a return to normal trends. The long range prediction for the sector is for continued excellent growth in employment.

MONTANA FINANCE, INSURANCE, AND REAL ESTATE
EMPLOYMENT

(In Thousands)

Jan.	11.7	Apr.	11.7
Feb.	11.8	May	11.9
Mar.	11.7	Jun.	11.9

1977 Annual Average	11.4
Second Quarter 1977 Avg.	11.1
Seocnd Quarter 1978 Avg.	11.8

Strong growth continues in 1978 in the finance, insurance, and real estate sector's employment levels. The number of persons employed in the industry in the second quarter of 1978 is 6.3% higher than 1977's similar figure. The industry is affected very little by seasonality and the increase appears to be consistent throughout the period.

Construction activity has kept it's high levels of activity during 1978 and this is the primary reason for the increase in finance, insurance, and real estate (F.I.R.E.) All of the sub-sectors of the F.I.R.E. category provide services to the construction sector, and as such are directly influenced by the construction trends. Stable growth should be the extended forecast for this sector.

MONTANA SERVICES
EMPLOYMENT

(In Thousands)

Jan.	48.0	Apr.	48.7
Feb.	48.1	May	48.3
Mar.	48.4	Jun.	48.2

1977 Annual Average	49.3
Second Quarter 1977 Avg.	48.6
Second Quarter 1978 Avg.	48.4

Employment in the service sector appears to be dropping slightly from last year's level. Trends in this industry continue to mirror the relative gains or losses in the related retail sector. Both service and retail employment levels have decreased, but this is believed to be a temporary respite from last year's increases.

The service sector now employs 48,200 individuals, a 3.8% drop from last June's figure. Most of the decrease appears to be in the classification of other services, as hotel employment has stayed level and personal and medical service employment have grown slightly. Overall the figure for the second quarter employment in the service sector this year is 0.4% less than 1977's similar estimate.

MONTANA GOVERNMENT
EMPLOYMENT

(In Thousands)

Jan.	72.9	Apr.	73.9
Feb.	72.9	May	74.1
Mar.	73.3	Jun.	73.2

1977 Annaul Average	70.6
Second Quarter 1977 Avg.	69.4
Second Quarter 1978 Avg.	73.7

Government employees numbered 73,200 in June of 1978, a 2.3% increase over the 1977 figure for the same month. This growth trend has been persistent over the past few years with the notable increases coming in the area of local government.

The level of governmental employment, except for state colleges and universities, normally peaks during the summer but the current statistics indicate the peak may have occurred during May of this year. The future of this sector's employment probably will bring continued growth but at a much slower pace. The recent "tax revolt" and subsequent reactions by governmental leaders should then stabilize the employment levels in the industry.

LABOR TURNOVER

LABOR TURNOVER

The labor turnover rate is a measure of the number of workers per 100 employees, who move into (accessions), and out of (separations), positions of employment each month. For purposes of analysis, labor turnover rates are applied only to manufacturing and mining industries with their sub-sectors of durable goods, primary metals manufacturing, non-durable goods and metal mining.

Accessions include the addition of temporary or permanent workers to the payroll either as new hires or rehires. Conversely, separations include the termination of workers through quits, layoffs, and other forms such as discharge, disability, or retirement.

Average turnover rates during the second quarter of 1978 increased in the accession statistics but noted declines in the separation figures for an overall positive effect. Manufacturing showed second quarter gains in accessions and new hires when compared to the 1977 averages for these factors. Primary metal statistics showed the effect of the temporary shutdown of a smelter in Anaconda and mining also showed some month to month fluctuation during the quarter.

In general, the quarter's turnover statistics are an improvement over the 1977 averages for the same categories. This situation should improve as historical trends show that the third quarter is usually the best in terms of turnover statistics. The reasons for this pattern are likely traceable to normal activity increases during the spring and early summer, followed by the return of many students to their schools and other seasonal migrant workers to jobs in different geographical areas in late summer and early fall.

TABLE I

LABOR TURNOVER

(Per 100 Employees)

Manufacturing

	Total Accessions	New Hires	Total Separations	Quits	Layoffs
1977 Average	3.5	2.9	3.3	1.7	0.9
April	3.3	2.1	2.6	1.6	0.5
May	3.4	3.0	4.4	1.6	1.2
June	6.5	5.4	3.6	1.7	0.8
2nd Qtr Average	4.4	3.5	3.5	1.6	0.8

Durable Goods

1977 Average	3.2	2.5	3.0	1.5	0.7
April	3.3	2.1	1.6	1.1	0.1
May	3.4	2.8	4.9	1.8	0.7
June	6.4	5.5	3.5	1.5	0.8
2nd Qtr Average	4.4	3.5	3.3	1.5	0.5

Primary Metal Industries

1977 Average	2.9	1.8	2.9	0.9	1.1
April	2.6	0.1	1.4	0.5	0.0
May	1.4	0.0	12.0	0.4	2.7
June	5.8	4.4	3.3	0.6	1.1
2nd Qtr Average	3.3	1.5	5.6	0.5	1.3

Non-Durable Goods

1977 Average	4.0	3.6	4.0	2.1	1.2
April	3.3	2.0	4.3	2.6	1.3
May	3.3	3.3	3.5	1.4	2.1
June	6.6	5.3	3.5	2.1	0.8
2nd Qtr Average	4.4	3.5	3.8	2.0	1.4

Mining

1977 Average	2.2	1.2	3.7	2.2	0.7
April	5.2	3.0	0.6	0.2	0.1
May	4.1	3.0	4.3	4.0	0.1
June	11.5	4.8	3.5	2.5	*
2nd Qtr Average	6.9	3.6	2.8	2.2	0.1

Metal Mining

1977 Average	2.0	0.1	3.2	0,2	1,6
April	1.9	0.1	0.9	0.0	0.1
May	3.5	0.1	1.3	0.4	0.2
June	3.7	0.2	1.9	0.3	0.2
2nd Qtr Average	3.0	0.1	1.4	0.2	0.2

* *Less than .05*

Prepared in cooperation with U.S. Department of Labor Bureau of Labor Statistics.

HOURS AND EARNINGS

HOURS AND EARNINGS

Hours and earnings data for the second quarter of 1978 shows continued upward movement. Average weekly earnings for total private non-farm wage and salary jobs increased during each month, jumping to a high of $216.58 in June. The three months also showed an increase in average weekly hours to a level of 36.4, and subsequent calculations yield a second quarter average hourly earning rate of $5.95.

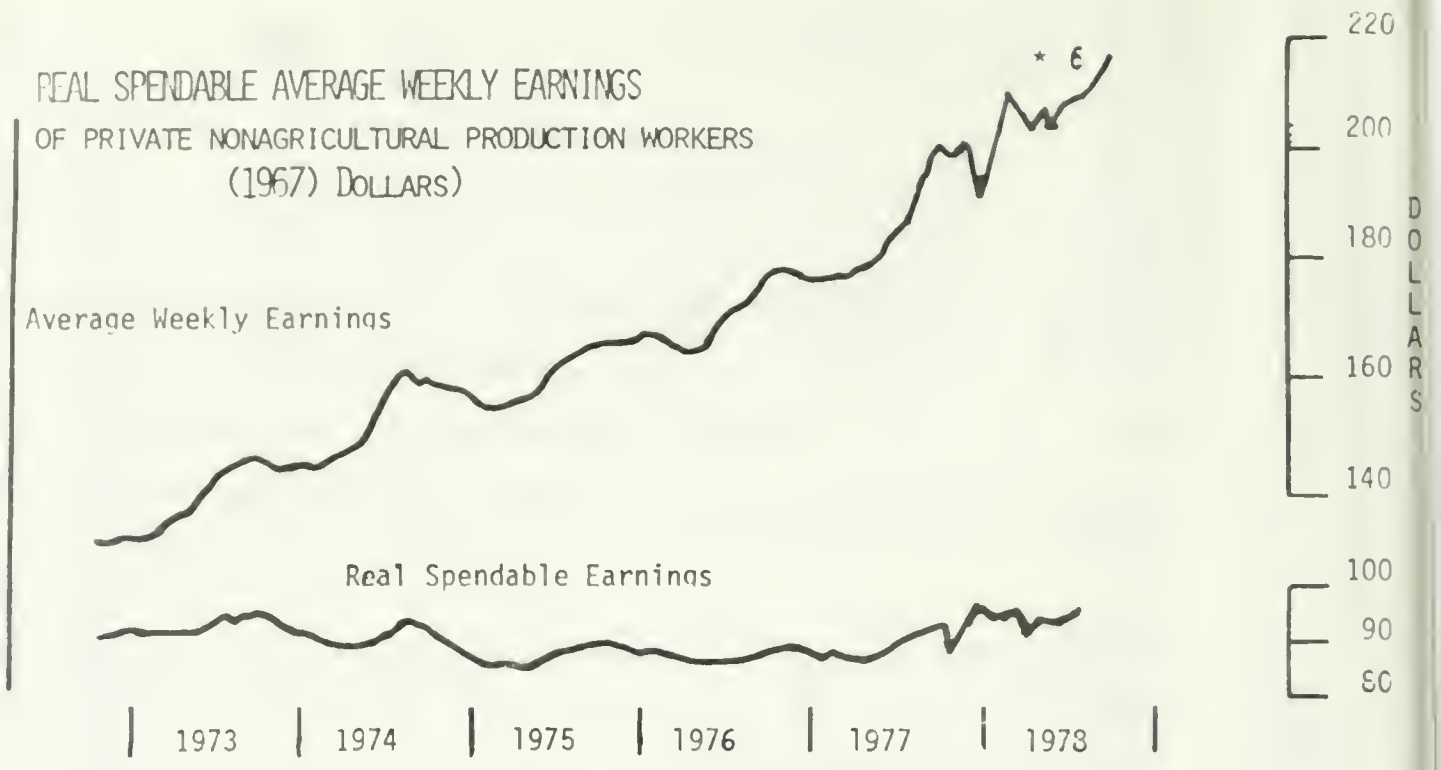
The real spendable wage figures, however, indicate that the consumer has not benefited much from the rise in gross wages. This measure of disposable income in constant dollars has grown but not at nearly the same rate as gross average weekly earnings. For example, the gain of $8.00 in gross average weekly wages netted only a $1.99 increase in the real spendable wage for the month of June. The tax bite, of course, continues to rise but the major portion of the current loss is due to inflation as reflected in the Consumer Price Index (C.P.I.). Real spendable wages are moving in a positive direction but continued high rates of inflation may soon slow this growth even more.

HOURS AND EARNINGS SERIES BY MONTHS

Average Hours and Earnings in Private, Nonagricultural Industries 1978 (1)

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	April	May	June	April	May	June	April	May	June
TOTAL PRIVATE	$207.77	$208.58	$216.58	35.7	35.9	36.4	$ 5.82	$ 5.81	$ 5.95
MANUFACTURING	323.04	328.94	343.54	44.9	43.8	44.5	7.53	5.81	7.72
Durable Goods	319.40	328.94	345.28	42.7	43.6	44.9	7.48	7.38	7.69
Primary Metal Industries	328.32	316.23	335.79	39.7	36.9	37.9	8.27	8.57	8.86
Nondurable Goods	330.81	324.72	338.86	43.3	44.0	43.5	7.64	7.51	7.79
Food and Kindred Products	270.73	267.44	270.95	45.5	43.7	44.2	5.95	6.12	6.13
MINING	372.75	374.22	373.57	42.6	42.0	41.6	8.75	8.91	8.98
Metal Mining	394.61	402.20	384.38	39.9	40.1	36.4	9.89	8.91	10.56
CONTRACT CONSTRUCTION	406.55	388.51	386.63	34.6	34.2	34.8	11.75	10.82	11.11
TRANSPORTATION AND PUBLIC UTILITIES	305.34	298.29	300.24	42.0	41.2	41.7	7.27	7.24	7.20
Communications, Electric, Gas, Sanitary Services	306.68	291.41	289.07	45.3	43.3	43.6	6.77	6.73	6.63
WHOLESALE AND RETAIL TRADE	161.05	160.36	173.06	32.8	33.2	34.0	4.91	4.83	5.09
FINANCE, INSURANCE, AND REAL ESTATE	148.47	144.00	146.17	36.3	36.0	37.1	4.09	4.00	3.94
SERVICES	132.73	132.80	133.53	33.1	33.2	33.3	4.01	4.00	4.01

(1) *Based on reports from cooperating establishments, and covers both full and part-time production and related workers who worked during or received pay for any part of the weekly pay period including the 12th of each month. Figures are average of gross earnings including overtime and premium pay. Selected Industries series began January 1950; Total Private Sector series began January 1969.*
Prepared in cooperation with U.S. Department of Labor, Bureau of Labor Statistics.



	June 1978	May 1978	June 1977
Gross Average Weekly Earnings	$216.58	$208.58	$185.26
Taxes Withheld	34.92	32.62	25.69
Spendable Earnings	181.66	175.96	159.58
Adjustment for Price Changes Since 1967	88.63	84.92	71.81
Real Spendable Earnings in 1967 Dollars	93.03	91.04	87.77

	Average Weekly Earnings	Real Spendable Earnings
1977		
July	190.97	89.63
Aug.	200.28	92.96
Sep.	197.89	91.67
Oct.	202.65	93.29
Nov.	190.85	88.23
Dec.	210.37	95.44
1978		
Jan.	205.19	92.67
Feb.	209.10	93.63
Mar.	203.28	90.71
Apr.	207.77	91.58
May	208.58	91.04
June	216.58	93.03
July		
Aug.		
Sep.		
Oct.		
Nov.		
Dec.		

REAL SPENDABLE EARNINGS

Earnings levels rose during June, continuing the erratic pattern of these indicators during the first six months of 1978. Real spendable earnings were up almost to the peak achieved in February, but did not nearly reflect the sharp increase in gross wages. Adjustments for taxes took away some of the gain, but again the rising prices as reflected in the CPI had the greatest negative effect on real wages. Only the magnitude of the positive gross wage change kept the real spendable index on an upward course. Inflation is still then the key factor affecting the future performance of this indicator.

* *Indicates last month of plotted data.* *p: Preliminary*

1/ Average weekly earnings of total private nonagricultural production workers.

2/ Real spendable average weekly earnings of private nonagricultural production workers.

EMPLOYMENT AND UNEMPLOYMENT OUTLOOK

EMPLOYMENT AND UNEMPLOYMENT OUTLOOK

The Montana economy continues to be dominated by seasonal factors in several of its largest employment sectors. Agriculture, Lumber and Wood Products, Construction, Wholesale and Retail, and Service all have seasonal trends in their employment levels, most often being weather related with winter lulls and summer peaks. Any economic analysis of Montana must have this seasonal nature in mind before any predictions of sector growth are advanced, as the total seasonal change is much greater than the slight advances made by individual industries.

Economic indicators for Montana have shown mixed performances in the first half of 1978. Wages continue to climb but real spendable wages have taken recent declines. The composite index of leading economic indicators have shown no real positive trend in the first six months of the year. The unemployment rate has been slightly lower than last years figure in most month's but has not shown the improvement indicated nationally for the period. Montana's rate is now above the national rate, a direct turnaround from last year's situation. The overwhelming influence on the economy appears to be inflation as best reflected in the comsumer price index. Optimistic predictions for the Montana economy have to be tempered in light of the rapid rise of prices.

On the positive side new businesses are outpacing last years tally on a statewide basis. Many of the businesses are in construction category or are retail and service establishments. Housing construction continues to boom--but is beginning to feel the effect of higher interest

rates. Large projects are also beginning to feel the effects of a cement shortage in the region.

The coal mining industry is another bright spot in the Montana economy. Its continued growth is dependent on a number of issues including court cases on power plants, the coal tax appeal, and the choice of transportation alternatives. A point to remember is also that the mining of coal is highly mechanized and not labor intensive, therefore a certain level of expansion in the industry does not necessarily result in an employment level increase.

Uncertainty continues to plague some other major sectors in Montana's economy. The non-ferrous metal mining and smelting industries are increasingly unable to compete with imports from abroad, resulting in closures and layoffs. The national policy debate on imports thus effects even Montana's isolated economy. Agricultural issues of a national scope, such as wheat and beef prices, are felt almost instantly in the agricultural sector in Montana. The apparent "tax revolt" and its implications will also reach Montana. Tax cuts should stimulate the economy but may also result in employment losses in the government sector. No predictions of Montana's economic direction can be made as predictions on even the national level are difficult to make at this time.

COMPOSITE INDEX

COMPOSITE INDEX OF SIX ECONOMIC INDICATORS*

Composite Index of
SIX ECONOMIC INDICATORS
1972 = 100

1977	
January	98.2
February	99.2
March	99.0
April	99.1
May	97.1
June	97.5
July	95.8
August	97.1
September	98.1
October	98.1
November	98.0
December	98.5
1978	
January	100.1
February	100.2
March	103.1
April	103.8
May	102.4
June	101.7
July	
August	
September	
October	
November	
December	

MONTANA'S COMPOSITE INDEX

Mixed performances by the component indicators in Montana's composite caused it to dip slightly again in June. Positive influence was exerted by a good increase in the accession rate, a small gain in manufacturing hours, and a slight decrease in the layoff rate. These gains were more than offset by an increase in initial claims, a slight dip in manufacturing employment and a moderation of the upward trend in building permits. The variations in these individual indicators caused a net downward movement in a composite, but again there is not enough of an apparent trend to base any prediction on.

* *Employment, Average Weekly Hours, Total Accessions, and Layoffs in Manufacturing; Building Permits, and Average Weekly Initial Unemployment Insurance Claims.*

** *Indicates last month of plotted data.*

SECTION III
LABOR MARKET INFORMATION
MONTANA'S SMSA'S*

* SMSA - Standard Metropolitan Statistical Area

GREAT FALLS SMSA (Cascade County)

Employment and Unemployment Situation:

Second quarter employment statistics for the Great Falls SMSA are not too encouraging, The civilian labor force increased slightly over last year, but the average number employed decreased, pushing the average unemployment rate for the quarter up to 6.7%. Last year comparable period had a rate of 5.6% so the growth in unemployment is notable.

At 5.6% last year's rate for the period was considerably lower than the statewide rate of 6.4% but the situation is reversed for this year. The Montana rate has declined to 6.3% while the same statistic for the Great Falls SMSA has risen to 6.7%

Economic Highlights 1978:

The Great Falls area recorded 138 new businesses during April, May, and June, 13 more than the comparable figure for 1977's second quarter. The year-to-date total, however, still lags behind last year's pace. New businesses are but one indicator of economic conditions and should be interpreted in a collective analysis with other factors.

Spring and summer have brought the normal increase in construction activity. Major projects include a condominium development, a motel, an addition to a recreation center, a housing project for the elderly, and a drive up facility for a savings and loan firm. The housing sector also continues to expand and building permits preclude no significant drop in activity in the immediate future. A missle site upgrading project has been temporarily shut down affecting some construction workers in the area.

GREAT FALLS (Cascade County) Cont.

A major labor dispute involving an airline and its pilots persisted during the quarter. Although the actual number of workers idled is small, the secondary effects of the shutdown are being felt. Losses have occurred in related industries and especially the tourist trade sector.

The seasonal upswing in total employment has occurred in several industries during the quarter. Construction has shown employment increases in line with the activity noted above. Agriculture has shown a normal jump in the number of employees, with the local Job Service noting many agricultural placements of both permament and temporary natures. The retail and service sector has indicated higher levels of employment, a normal occurrence.

BILLINGS SMSA (Yellowstone County)

Employment and Unemployment Situation:

The Billings SMSA labor market appears to have stabilized in the first portion of 1978 following 1977's rapid expansion. The civilian labor force is about the same as last year and employment shows a slight 0.2% smaller than last year's. Subsequently the number of unemployed now tallies 2451 (2nd quarter average) with the unemployment rate calculated to be 4.7% as compared to last year's 4.4%. This stabilization is certainly no cause for alarm as the 4.7% unemployment rate is still an excellent economic indicator. The Billings SMSA rate also remains comfortably below the statewide average of 6.3% for the second quarter of 1978.

Economic Highlights 1978:

New business formations for the Billings area are running well ahead of last year as 433 new firms have entered the market since the first of the year. This figure compares quite favorably with last year's similar statistic of 357 for the same period and this is especially impressive since last year was a "banner" year for the areas economy. This 23% increase is much above the 13% increase in new businesses noted statewide for the first six months of 1978.

Construction continues to pace the economy, which is normal for this time of year. Retail and service establishments, offices, and housing are all sharing in the activity. Building permits are being issued at a rate well above last year's, so the activity in construction should continue. A major project recently announced is a 22 story hotel/convention center for downtown Billings.

Agriculture appears to be having an excellent year. Some flooding was noted in May and June but no major lasting damage has persisted. In fact, the crops about to be harvested have benefited from the above average rainfall for the period, and appear to be excellent.

The Billings SMSA should be expected to continue its growth trends of the recent past. The stability and diversity of these patterns indicate that Billings is well on its way to becoming a major regional economic center of even more importance than in the past.

SECTION IV
LABOR MARKET INFORMATION
MONTANA'S LMA'S

* LMA - Labor Market Area

ANACONDA - BUTTE LMA

Employment and Unemployment Situation:

The second average figure for the civilian labor force was 36,051 an increase of about 2,500 persons over 1977's similar statistic. This labor force growth is a positive sign, but employment did not grow at a fast enough pace to aid in reducing the area's high unemployment rate, which is at about 8.4%. The number of employed persons now calculates to 52,946 individuals compared to last years tally of 30,621 but the expansion also occured in the number of unemployed with that total now at 3,105.

The unemployment problems of the LMA seems well disbursed thoughout the area with the exceptions being the relatively low unemployment rates in Beaverhead and Madison counties, probably due to the agrarian nature of the economy in those two counties.

Economic Highlights 1978:

The price competition in the non-ferrous metal markets being caused by imports from abroad has produced layoffs in the mining and smelting industries of the LMA. Several layoffs have occured in both sectors of the industry with the recent being a temporary closure of a smelter in Anaconda for two months. Sixty-five employees were not called back to work when the facility resumed production, and the number of shifts have been reduced.

The area does appear to be holding its own and even gaining economically in spite of the situation of its major employer. The MHD energy research facility has been refunded and hopes to expand its employment levels. The housing construction sector is having a very good year thoughout the area, as both single family and apartment units are being built.

ANACONDA - BUTTE LMA (Cont.)

Seasonal employment peaks are also being noticed in the agriculture and tourist related sectors. Local Job Service offices report a good demand for agricultural workers with the supply meeting demand in most cases.

The retail and service sectors report that an excellent year is in progress, in fact a large hot springs, hotel, convention center facility in the area is expanding at this time.

BOZEMAN LMA

Employment and Unemployment Situation:

The Bozeman LMA showed dramatic gains in the second quarter of 1978, adding over 3,500 individuals to the civilian labor force from last years figure, to now reaching a total of 27,256. The increase in employment was even greater as the number of employed workers rose from 22,397 to 26,088 persons. This gain of nearly 3,700 represents a 16% increase from last year's period.

The labor force rose, and the number of employed rose even faster, the number of of jobless consequently dropped 12% from 1,326 to 1,167. These shifts in the labor market served to knock the unemployment rate down to 4.3% for April, May, and June; a healthy improvement over last year's 5.6% for the same three month period.

Economic Highlights 1978:

All indicators tend to point toward a period of strong economic growth in the Bozeman area. New business formations number 284 for the year as compared to last year's 239 for the same six months. Building permits are exceeding last years excellent rate in both number and valuation. The area seems to indeed be in an era of economic expansion.

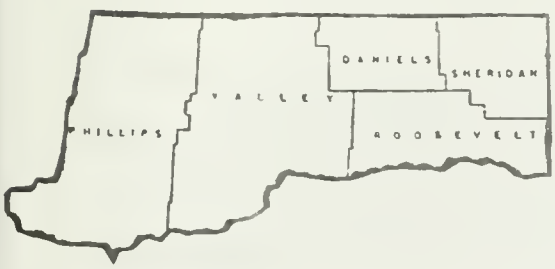
BOZEMAN LMA (Cont.)

Construction dominates the seasonal increases in employment with many starts noted. A $5.5 million shopping mall will be completed sometime next spring and work has also began on other large projects including a medical center addition, an insurance company building, and a large warehouse. The housing sector also is booming throughout the area.

The retail and service establishments have noted seasonal growth in employment especially in tourist related businesses. Agriculture also is experiencing expansion normal for the period and all signs indicate a good year for farmers and ranchers.

All indicators, from labor force statistics to business conditions factors seem to confirm the excellent condition of the Bozeman area economy.

GLASGOW LMA



Employment and Unemployment Situation:

Improvement seems to be the key word to be used when referring to the labor force statistic for the Glasgow area. The jobless rate for the LMA declined significantly in the second quarter to 5.1% from 5.7% for the same quarter a year ago. The figures represent a reduction of nearly 100 in the number of unemployed individuals, from 990 to 892.

Increases were noted in both employment and the civilian labor force. The number of workers employed rose approximately 250 to 16,540 while the civilian labor force increased its number by 150 for a total of 17,432. These labor force statistics tend to indicate a healthy economy for the area, whether compared to current data for the rest of the state or last year's data for the

GLASGOW LMA (Cont.)

Glasgow LMA.

Economic Highlights

Seasonal activities dominate the second quarter economy in the area. Construction projects are underway in all portions of the LMA with a bentonite plant and natural gas pipeline being undertaken near Malta, and a water line project being completed in Glasgow. Housing starts are numerous although building permits are down slightly from last year. Agriculture, another major seasonal industry, noted the normal upswing in activity during the quarter.

New business formations in the area are running slightly behind last years figures, both for the quarter and the year to date. A packing plant has reopened, and expects to increase production and employment soon. The industrial park development is progressing at the former air force base with some new businesses being established. The development of this industrial park is probably the key to the area's economic growth in the near future. Such basic industrial development is necessary to promote any expansion in the overall economy, with secondary and tertiary effects.

GLENDIVE LMA

Employment and Unemployment Situation:

The Glendive LMA shows an expanding labor force and a slight decrease in unemployment, both healthy signs for the area's economy. After averaging, the second quarter civilian labor force stood at 14,880, increase of nearly 800 persons over the figure for the same period in 1977. Virtually all of the increased labor force was accounted for in employment's growth, as the number of employed individuals rose from 13,590 to 14,374 a gain of nearly 6%.

The number of jobless workers remained basically unchanged, at a 506 level compared to last years 511, but the growth in the labor force caused unemployment rate for April, May, and June of 1978 was 3.4%, while the same three months in 1977 had a rate of 3.6%. The level of unemployment became more significant when compared to the State as a whole, whose rates for the same periods were 6.3% and 6.4% respectively. The lower unemployment rate, expanding labor force, and growing employment all combine to suggest a strong economic forecast for the Glendive area.

Economic Highlights:

A cursory examination of the number of new business firms shows that 1978 year to date totals are about 30% above last year's similar count. The second quarter figure was also greater than last year's tally. Retail and service establishments lead the surge in new business formations especially in this their normal high season. Building permits and contruction starts seem to verify these business trends as positive indicators for the area.

Construction and agriculture noted sizable increases in employment during the quarter as is normal. Highway construction is continuing economy projects in the area and housing also is having a good building season. Agriculture is progressing rapidly along its usual path, with most activities decreasing at the normal times Both agriculture and construction have suffered some weather related delays, but none have been abnormal in nature or extent. Migrant workers have added to the employment rolls during the period. Local job service offices have also noted oil exploration efforts in the area this summer.

HARDIN-RED LODGE LMA

Employment and Unemployment Situation:

The labor force statistics for this area for the second quarter of 1978 indicate mixed performance with no discernable trends apparent. The jobless rate is up to 5.6% as compared to 5.1% for the period last year, as the number of unemployed now amounts to 691 persons. Employment has, however, also grown to a current level of 11,589 as compared to last year's figure of 11,422. A slight increase has occurred in the civilian labor force which now numbers 12,280. In summation, the Hardin-Red Lodge LMA's economy can probably be judged as slowly expanding with a persistant problem of moderately high unemployment.

Economic Highlights:

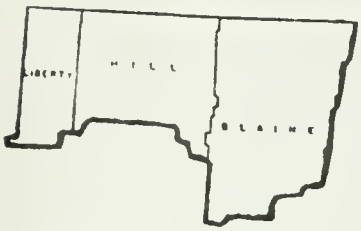
The boom in energy development, particularly coal, is causing growth in the Hardin area due to its proximity to the coal fields. Leases of reservation lands for mining should promote this expansion in the future.

New business formations for the second quarter are outpacing last year's similar figure and year-to-date totals are running 49% ahead of last years statistic. The 85 new businesses are evenly distributed throughout the four counties in the LMA, indicating that the growth in the area is not limited to one particular city or town. New businesses, are of course, but one indicator of economic conditions to be evaluated only in concert with other factors.

Some upswing in activity in the retail and service sectors has been noted in Red Lodge as the tourist season commences in nearly Yellowstone Park. Other parts of the LMA noted normal advances in agricultural employment as summer approaches. A flood of record proportions occurred during the period causing extensive damages along the Big Horn River drainage, and Federal aid has been made available to those affected. The same rains that caused the flood, have somewhat ironically

made for predictions of excellent crops throughout the LMA.

HAVRE LMA



Employment and Unemployment Situation:

Average figures for the second quarter of 1978 indicate that the civilian labor force is about 4% larger than last year's similar count, at a level of 13,306. Employment has also increased from 12,187 to 12,578 during the past year. Some negative trends are, however, obvious in the unemployment statistics. The jobless rate for April, May, and June of 1978 is 5.5%, up from the previous year's corresponding rate of 5.1%. The number of people in the labor force unable to find work has risen by 70 individuals and stands at 728. These figures should be analyzed carefully and it should be mentioned that the area's unemployment, while growing is still below the statewide rate of 6.3%.

Economic Highlights:

New business formations have dropped in 1978 showing decreases for both the second quarter and the first six months. This indicator must be tempered however with information from other sources before reaching any conclusions. Reports from the area that a new shopping center is being built and a downtown mall facility is under construction would tend to produce more optimistic forecasts for the economy. The growth of the retail sector as stores open in these complexes will probably show up in the new business statistics later this year.

Weather conditions slowed some outside activities during the quarter but no lasting effects should be felt. Oil exploration has now resumed after some rain delays. Agricultural interests are predicting a good year due in some part to the same precipitation that caused pauses in planting earlier. Some isolated pockets of hail damage have been reported, but the harvest is expected to be excellent.

HELENA LMA

Employment and Unemployment Situation:

Expansion appears to be occurring in all segments of the Helena area labor force, but at stable, consistent rates. The civilian labor force estimate has grown by 7.5% over last year's figure for the second quarter, and now numbers 26,807 individuals. Employment has also grown be 1806 persons during the same period to a level of 25,342. The unemployment rate is very close to last year's similar statistic at 5.5% as compared to 5.6%. The number of jobless has increased slightly to 1465 but the greater growth in the civilian labor force has caused the rate to fall. The obvious prediction for the area appears to be a continuation of the measured growth of the last few years.

Economic Highlights 1978:

The economy of the Helena LMA continues to expand but may be starting to slow down. The growth of government, the main employer in the area, is expected to slow as reactions to the "tax revolt" hit the various levels and departments. New business firms formed in the area are being created at a 14% higher rate for the first six months of this year. This positive sign indicates that the areas economic growth has certainly not peaked.

Construction and proposed construction have dominated the economic news in Helena. Shopping centers have been proposed for four different sites causing much controversey over approvals and need for such facilities. The outcome of the current debate should

determine the location, and size answers to the question of retail and service expansion in the area. The federal building has been completed and occupied after many delays, as the downtown mall continues to develop. Other major projects nearing completion are the airport terminal and the new highway department complex. The housing market has continued its strong performance despite some predictions of a downturn. Highway projects in the vicinity are progressing according to expectations.

Some negative news also was released during the period. The zinc processing facility at East Helena laid off a number of workers as the trade related shutdowns in the non-ferrous metal industries continued. Some federal agencies have plans to move their employees to Denver or the West Coast in announced reorganizational schemes.

KALISPELL LMA

Employment and Unemployment Situation:

The civilian labor force expanded rapidly in the first of 1978 and now totals 35,825 a 14% increase over 1977's similar second quarter statistic. Employment also increased to a level of 33,141 from last year's 28,208 but the number of jobless also grew. The unemployment rate is calculated at 10.3% slightly down from last year's figure but the number of jobless people is up by 349 to 3,684. Consideration should be given to the fact that the Kalispell LMA unemployment rate is normally extremely high and in relative terms this year's figures do indicate an

improving situation. The problem is still just an over supply of people seeking work; in effect, even when employment gains are made the total civilian labor force grows at a faster rate.

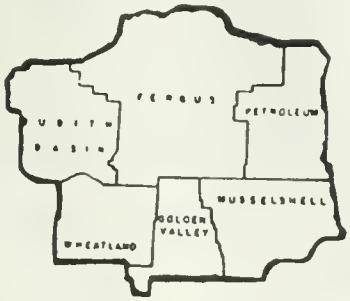
Economic Highlights 1978:

The lumber and wood products industry continues to prosper although there are some seasonal fluctuations in activity such as the "spring" breakup" layoffs during the second quarter. The general tone of the industry is excellent as housing construction and its related demands relate directly to the vitality of the sector. The supply of timber is becoming a problem in some areas and for some concerns, with the outcome of current hearings on public land use eagerly awaited for their impact on timber leases. As this industry goes, so goes the economy for the area, so such policy decisions are of extreme importance.

New business formations are running 23% ahead of last year's six month figure and now number 355. This positive sign is an encouraging note on the local conditions. Retail and service establishments and small contractors make up the major portion of the new firms. The tourist season is, of course, putting much demand on the retail and service sector at this time, but these statistics evidance a larger term growth that just such seasonal fluctuations.

The recreation and tourist industries are having a banner year in the Glacier Park and Flathead Lake regions. Montana's most used ski area has recently announced plans for expansion of its Whitefish facilities, including a new chair lift. The recreation business is truly a year round endeavor in that particular town.

LEWISTOWN LMA



Employment and Unemployment Situation:

Improvement was noted in all statistics regarding the labor force in the Lewistown area. The civilian labor force had an average figure of 10,883 for the second quarter of 1978, an increase of 217 individuals from last year's estimate. Employment increased by 317 to a level of 10,391. The number of unemployed persons is now estimated at 492, a 100 person drop from last year. The consequence of these shifts is a reduction in the unemployment rate to 4.5% from 5.6%. These positive movements in all the labor force indicators point toward a strong, gradually growing economy for the LMA.

Economic Highlights 1978:

New business formations in the area are slightly ahead of last year's figures at 59 for the first six months of 1978. A month-by-month analysis indicates that the tally was behind last years in the first quarter but has rallied to surpass the second quarter total. New businesses are but one indicator, of course, and should be analyzed in relation to their concurrent developments.

The seasonal upswings were evident from observation of employment trends for the area. Agriculture has noted its normal summer increases in activity, and a good year is predicted for crops and livestock. The construction sector is showing much activity as building continues on housing, a new bank, and retail outlets in the Lewistown vicinity.

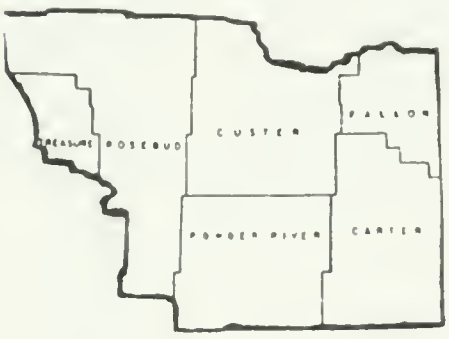
The missile upgrade project was expected to provide many jobs for the area this summer, but has been temporarily shutdown due to the need for some modifications.

LEWISTOWN LMA (Cont.)

Some increase in unemployment could occur before these workers move on or the project resumes, but no lasting impact should be felt.

The consensus is economic indicators and reports from the area point toward good conditions for the Lewistown area.

MILES CITY LMA



Employment and Unemployment Situation:

Moderate expansion continued in the Miles City civilian labor force during April, May, and June with the quarterly average set at 15,201, up 2% from last year's similar statistic. The number of employed persons for the same period was 14,516 also about a 2% increase. The jobless rate rose slightly to 4.5% from 4.3% with 685 individuals estimated to be unemployed. Although the unemployment rate has risen slightly it is still well below the statewide rate of 6.3% for the same period. The significant fact to be discerned from these indicators is that they show the stability of the area's economy, in contrast with other area's where wild fluctuations occur periodically.

Economic Highlights 1978:

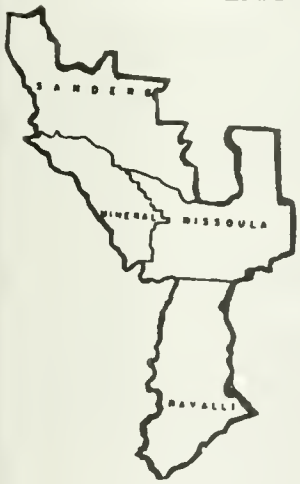
Construction appears to be having a good year in the Miles City LMA. Miles City itself has projects ranging from a community college addition to a shopping center, with housing starts also strong. Rosebud County also has some significant projects including a jail and a telephone company headquarters at Forsyth, plus continued development at Colstrip. A court decision has delayed construction of more power plants, but the utilities involved are still pushing for their construction.

MILES CITY LMA (Cont.)

Floods occurred in portions of the LMA in May and June but no lasting effects have been reported. Agriculture is noting a good year, with some speculation effecting beef prices as import policies and total supply change. A hailstorm did a substantial amount of damage to Miles City during the summer.

New business formations are just about matching last year's pace at 74 for 1978 to date, as compared to 69 for the same period last year. This indicator, like the others for the area, shows the slight growth occuring plus the inherent stability of the areas economy.

MISSOULA LMA



Employment and Unemployment Situation:

The unemployment rate for the Missoula LMA dropped to 7.6% for the second quarter of 1978, compared to 8.3% for the same three months of 1977. Although this is a definite improvement it is still well above the statewide rate of 6.3%.

The civilian labor force expanded at a 7.9% rate during 1978's second quarter and is now at a level of 47,632. This quarter 3,511 more persons were employed than last year, while number of jobless has dropped by 40 to a figure of 3,626. This labor force data all points toward a much improved employment situation in the area, where high unemployment has historically been a problem.

Economic Highlights 1978:

The retail and service sectors are rapidly expanding in the Missoula area, accounting for many of the new business firms in the area.

New business formations are up 12% from last year and the second quarter figure was a surprising 83% higher than the second quarter 1977

MISSOULA LMA (Cont.)

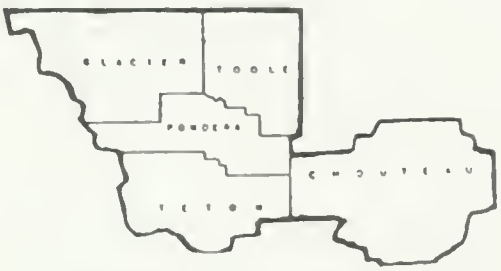
statistic. A new shopping mall has been completed on Missoula's south-side containing about 60 businesses, including several major department stores. Plans have also been announced already for a substantial addition to the complex, so the new business count will probably continue to grow.

The lumber and wood products industry has continued its strong performance in 1978. The seasonal shutdown occurred during the spring break-up but all employees were back to work by the end of the quarter. Housing construction has been having another excellent year, so the demand for wood products should be sustained.

Construction also highlights the area economic news for the period. A major project is an addition to the hospital in Missoula, while many other office and retail store projects have started during the quarter. Building permit tallies for the three months were higher than last year as the number of units being built continues to grow.

Labor disputes did have some negative impact on the area during the quarter. The airline strike silenced the principal means of east-west travel into the area during much of the period. A dispute between LPNs and a local hospital threatens to be of a long duration.

SHELBY-CUT BANK LMA



Employment and Unemployment Situation:

The steady increases were apparent in all of the labor force figures for the quarter. The civilian labor force now numbers 18,373 for the area compared to 17,318 for the same quarter of last year. Employment also jumped by 6.5% to a level of 17,378.

Consequently, the number of jobless individuals fell from 1,005 to 995. The increase in the civilian labor force, coupled with drop in unemployment, caused the unemployment rate calculation to fall to 5.4% from 5.8%. The employment figures for the Shelby-Cut Bank area show stable but good trends in all factors.

Economic Highlights 1978:

New business formations for the area have totaled 135 for the first six months of 1978, a 17% increase over the same period of 1977. The second quarter was surprisingly strong, with 72 new firms compared to last year's 47. The concerns seem to be in the form of retail and service establishments, oil exploration firms, and general businesses.

Oil and gas exploration activities are expanding in the area, as the search for natural gas especially intensifies. Considering the energy shortage, such investigation will probably expand even more in the future.

Several construction projects are in various stages as the prime building season is here. Work continues on a senior citizens center, a grain elevator, retail establishments, and housing in the LMA.

Agriculture is having a good growing season and harvest predictions are optimistic. The price side of the market, however, will determine how good a year it really is. The rural agricultural nature of this area, in fact, makes most of the area's economy dependent on the health of the wheat market in particular.

LABOR MARKET AREAS

IN

MONTANA

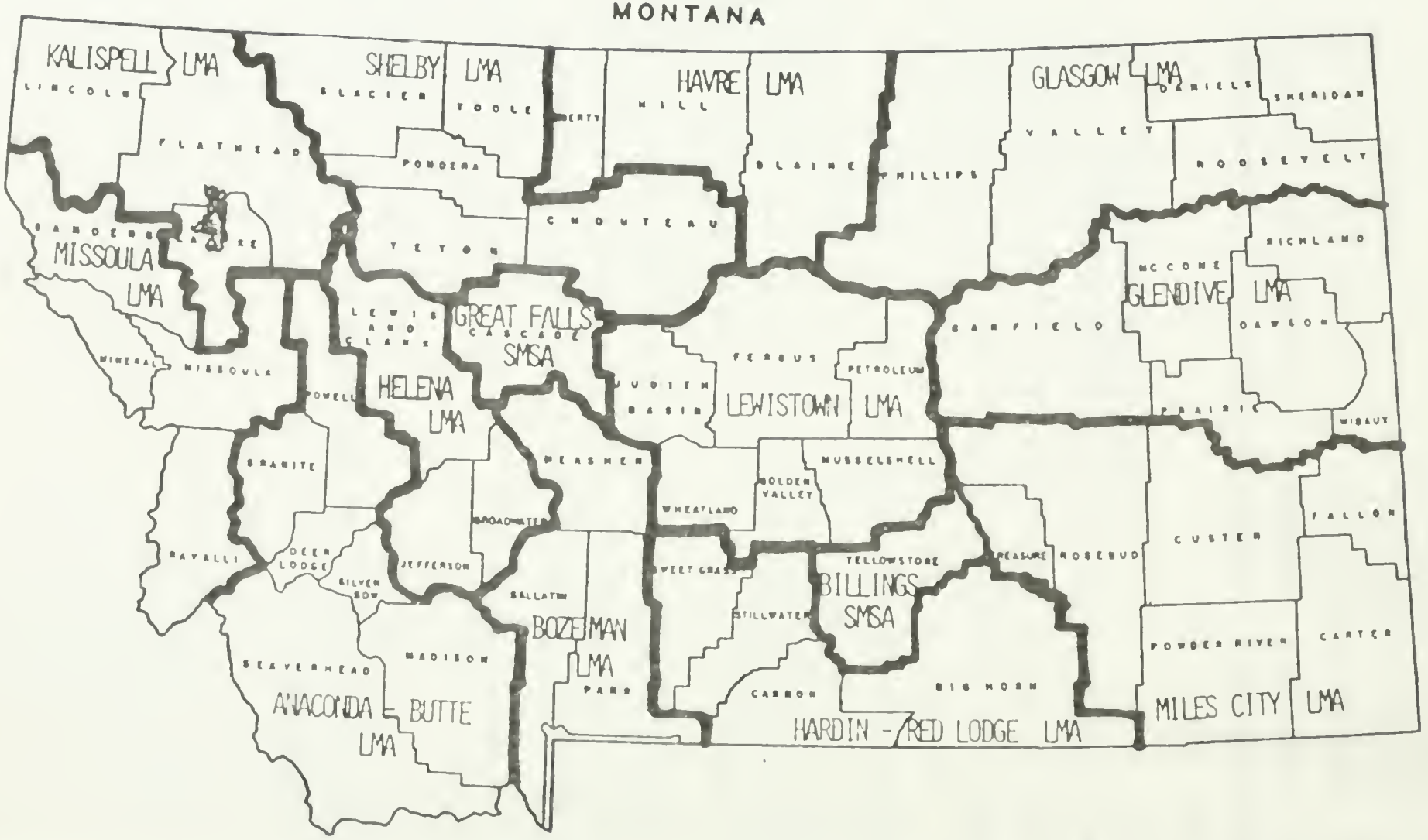


TABLE VIII

MONTANA LABOR MARKET AREAS[1/]

Civilian Labor Force

in Thousands

	CIVILIAN LABOR FORCE			EMPLOYMENT			UNEMPLOYMENT			UNEMPLOYMENT RATE	
	1978	1977	Percent Change 1977-1978	1978	1977	Percent Change 1977-1978	1978	1977	Percent Change 1977-1978	1978	1977
STATEWIDE	364408	344355	*5.8%*	341568	322444	*5.9%*	22840	21911	*4.2%*	*6.3*	*6.4*
GREAT FALLS SMSA	35164	35048	*0.3*	32812	33089	*-0.8*	2352	1959	*20.1*	*6.7*	*5.6*
BILLINGS SMSA	52319	52302	*0.3*	49868	49986	*-0.7*	2451	2316	*5.8*	*4.7*	*4.4*
BALANCE OF STATE[2/]											
ANACONDA-BUTTE	36051	33516	*7.6*	32946	30621	*7.6*	3105	2895	*7.3*	*8.6*	*8.6*
BOZEMAN	27256	23723	*14.9*	26088	22397	*16.5*	1167	1326	*-12.0*	*4.3*	*5.6*
GLASGOW	17432	17277	*0.9*	16540	16286	*2.2*	892	990	*-9.9*	*5.1*	*5.7*
GLENDIVE	14880	14102	*5.5*	14374	13590	*5.8*	506	511	*-1.0*	*3.4*	*3.6*
HARDIN-RED LODGE	12280	12039	*2.0*	11589	11422	*1.5*	691	618	*11.8*	*5.6*	*5.1*
HAVRE	13306	12844	*3.6*	12578	12187	*3.2*	728	658	*10.6*	*5.5*	*5.1*
HELENA	26807	24932	*7.5*	25342	23536	*7.7*	1465	1396	*4.9*	*5.5*	*5.6*
KALISPELL	35825	31543	*13.6*	33141	28208	*17.5*	3684	3335	*10.5*	*10.3*	*10.6*
LEWISTOWN	10883	10666	*2.0*	10391	10074	*3.1*	492	592	*-16.9*	*4.5*	*5.6*
MILES CITY	15201	14884	*2.1*	14516	14241	*1.9*	685	644	*6.4*	*4.5*	*4.3*
MISSOULA	47632	44161	*7.9*	44006	40495	*8.7*	3626	3666	*-1.1*	*7.6*	*8.3*
SHELBY-CUT BANK	18373	17318	*6.1*	17378	16313	*6.5*	995	1005	*-1.0*	*5.4*	*5.8*

1/ A list of counties included in each Labor Market Area appears on "New Business Firms" page. Map inside back cover.
2/ Statewide, excluding Great Falls and Billings Standard Metropolitan Statistical Areas.

NEW BUSINESS FIRMS IN MONTANA

BY LABOR MARKET AREA

Areas	NEW BUSINESS FIRMS			
	Quarter Total		Year to Date	
	1978	1977	1978	1977
STATE OF MONTANA	1476	1247	2769	2456
GREAT FALLS SMSA	138	125	254	271
BILLINGS SMSA	217	163	433	351
ANACONDA-BUTTE LMA Beaverhead Deer Lodge Granite Madison Powell Silver Bow	96	86	188	186
BOZEMAN LMA Gallatin Meagher Park	167	115	284	239
GLASGOW LMA Daniels Phillips Roosevelt Sheridan Valley	33	40	60	68
GLENDIVE LMA Dawson Garfield McCone Prairie Richland Wibaux	62	53	110	84
HARDIN-RED LODGE LMA Big Horn Carbon Stillwater Sweet Grass	44	33	85	57
HAVRE LMA Blaine Hill Liberty	39	52	79	87
HELENA LMA Broadwater Jefferson Lewis and Clark	121	106	223	196
KALISPELL LMA Flathead Lake Lincoln	209	150	355	288
LEWISTOWN LMA Fergus Golden Valley Judith Basin Musselshell Petroleum Wheatland	36	26	59	56
MILES CITY LMA Carter Custer Fallon Powder River Rosebud Treasure	37	33	74	69
MISSOULA LMA Mineral Missoula Ravalli Sanders	205	112	429	382
SHELBY-CUT BANK LMA Chouteau Glacier Pondera Teton Toole	72	47	136	116

Source of data: State of Montana Employment Security Division, Research and Analysis Section; Montana Secretary of State.

EMPLOYMENT SECURITY DIVISION
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OFFICIAL BUSINESS

The Montana State Employment Security Division maintains 23 local Job Service Offices in the principal cities of Montana. You are invited to call on any of these offices for assistance in filling positions in your organization, additional labor market information, and for other services in connection with your employment problems.